- 7. Special Access Service (Cont'd)
 - 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) Termination Liability (Cont'd)
 - (1) General (Cont'd)
 - For Enterprise SONET Service (ESS), the termination liability charge is calculated for the applicable ESS Ring Transport Service and the associated 1.544 Mbps or 44.736 Mbps Special Access Service as set forth in (c) following.

(TR 24)

Issued: April 13, 2001

- 7. Special Access Service (Cont'd)
 - 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) Termination Liability (Cont'd)
 - (1) General (Cont'd)
 - (a) Option 1
 - (i) IntelliLight® Dedicated SONET Ring (IDSR)
 - For disconnects on or prior to the end of the minimum period and prior to the end of the selected commitment period, the termination liability charge is 17% of the applicable monthly rates for each month and fraction thereof remaining between the end of the minimum period and the end of the selected commitment period.
 - For disconnects after the end of the minimum period but prior to the end of the selected commitment period and for cancellations prior to the end of the selected commitment period, the termination liability charge is 17% of the applicable monthly rates for each month and fraction thereof in the balance of the selected commitment period.
 - (ii) All Other Services
 - For disconnects on or prior to the end of the minimum period and prior to the end of the selected commitment period, the termination liability charge for is 50% of the applicable monthly rates for each month and fraction thereof remaining between the end of the minimum period and the end of the selected commitment period.
 - For disconnects after the end of the minimum period but prior to the end of the selected commitment period and for cancellations prior to the end of the selected commitment period, the termination liability charge is 50% of the applicable monthly rates for each month and fraction thereof in the balance of the selected commitment period.
 - (b) Option 2

- For disconnects on or prior to the end of the minimum period and prior to the end of the selected commitment period, the termination liability charge will be the difference between the full monthly rates and the discounted monthly rates for the period the service has been in effect.

(TR 24)

Issued: April 13, 2001

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) Termination Liability (Cont'd)
 - (1) General (Cont'd)
 - (b) Option 2 (Cont'd)
 - For disconnects after the end of the minimum period but prior to the end of the selected commitment period and for cancellations of the Service Discount Plan prior to the end of the selected commitment period the following applies.
 - Where there is no Service Discount Plan commitment period less than the actual time the services have been in effect, the termination liability charge will be the difference between the full monthly rates and the discounted monthly rates for the period the service has been in effect.
 - Where there is a Service Discount Plan commitment period less than the actual time the services have been in effect, the termination liability charge will be calculated as follows:
 - (i) For IntelliLight⊗ Dedicated SONET Ring (ISDR) with a commitment period which was extended under (E)(2) following, termination liability does not apply during (C) the period of extension.
 - (ii) For all other services, termination liability is calculated as the difference between the monthly rates for the highest Service Discount Plan commitment period that could have been satisfied prior to disconnection of the service or cancellation of the plan and the monthly rates for the selected commitment period multiplied by the actual number of months the service has been in effect. For example, if a customer has a 45 month commitment period and disconnects a 1.544 Mbps High Capacity Service after forty months and 5 days, the highest Service Discount Plan commitment period that could have been satisfied is forty months. To determine the termination liability charge, the monthly rate for the 45 month plan is subtracted from the monthly rate for the 40 month plan and the difference is multiplied by the forty months that the service has been in effect. If the monthly rate for the 45 month plan and the monthly rate for the 40 month plan are the same rate, the termination liability charge is zero.

(TR 87)

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Effective: September 6, 2001

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) Termination Liability (Cont'd)
 - (1) General (Cont'd)
 - (b) Enterprise SONET Service (ESS)
 - When an ESS Ring Transport Service is disconnected during the ESS conversion period and prior to the customer satisfying its minimum service requirement, no termination liability charge applies. However, the ESS Ring Transport Service being disconnected is subject to minimum period requirements as set forth in Section 26.1.2(E) following.
 - When an ESS Ring Transport Service is disconnected after the ESS conversion period and prior to the end of the selected commitment period, no termination liability charge applies provided that the minimum service requirement is maintained. However, the ESS Ring Transport Service being disconnected is subject to minimum period requirements as set forth in Section 26.1.2(E) following.
 - When all of the customer's ESS Ring Transport Services are disconnected during the ESS conversion period and prior to the customer satisfying the minimum service requirement, the termination liability charge is 100% of the applicable discounted monthly rate, for each ESS Ring Transport Service that in-service as of the date of disconnection, for each month and fraction thereof remaining in the ESS conversion period. In addition, termination liability will apply to the minimum service requirement of 336 equivalent DS1s at 50% of the applicable discounted monthly rate for each month beginning in the nineteenth month (i.e., the month following the ESS conversion period) through the remainder of the customer selected commitment period. For the purpose of determining the termination liability charge applicable after the ESS conversion period, the monthly rate to be applied will be the discounted rate for the "O Mile" mileage band.

(TR 24)

Issued: April 13, 2001

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (1) General (Cont'd)
 - (c) Enterprise SONET Service (ESS) (Cont'd)
 - When all of the customer's ESS Ring Transport Services are disconnected after the ESS conversion and prior to the end of the customer selected commitment period, termination liability will apply to the minimum service commitment as determined in Section 26.1.2(D) following at 50% of the applicable discounted monthly rate for each month and fraction thereof remaining in the customer selected commitment period. For the purpose of determining the termination liability charge applicable after the ESS conversion period, the monthly rate to be applied will be the discounted rate for the "O Mile" mileage band. No termination liability charge applies to any of the remaining ESS Ring Transport Service which are in excess of the minimum service commitment, however, such services are subject to the minimum period requirements as set forth in Section 26.1.2(E) following.
 - The regulations set forth in (C)(2) through (C)(6) following for upgrades, changes, cancellations, moves and replacements under the Service Discount Plan, respectively, are not applicable to ESS Ring Transport Services or any service connected to an ESS Ring Transport Service.

(TR 24)

- Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (1) General (Cont'd)

The monthly rates used to calculate termination liability charges are subject to the reductions, as set forth in Section 5.2.7 preceding when Switched Access Services are provided on a Shared Use Digital High Capacity facility.

When some, but not all, services are disconnected for which a first and additional monthly rate is applicable, the monthly rates used to calculate termination liability charges are applied in ascending order beginning with the lowest applicable rates.

Termination liability for 44.736 Mbps Standard Channel Terminations at a primary premises is calculated based upon the rate band determined by the last count taken.

The termination liability charge applies in addition to applicable minimum period charges.

Termination liability does not apply when IDSR as set forth in Section 26.1 following is converted to an equal or higher speed IDSR under a term plan as set forth in Section 7.2.17 preceding. Time-in-service credit will be granted on the new IDSR term plan based on the number of months that service was under the Service Discount Plan. For example, conversion of IDSR under a 60 month term plan that was in service for 32 months will allow for 32 months of time-in-service credit towards the IDSR term plan under Section 7.2.17.

(TR 24)

Issued: April 13, 2001

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (2) <u>Upgrades</u>

Upgrades include the following types of customer requests:

- A request to disconnect some or all of its discounted digital services in order to replace them with Telephone Company provided digital Special Access Services with a bit rate higher than that of services being disconnected or,
- A request to disconnect some or all of its discounted twopoint or multipoint services in order to have these services provided over a multiplexed Telephone Company provided 1.544 Mbps High Capacity facility or,
- A request to disconnect some or all of its discounted NES channels in order to include the channels in NES grooming arrangements or to replace them with NES channels provided with NYNEX Enterprise Network Reconfiguration Service.
- A request to disconnect some or all of its discounted Voice Grade Services in order to replace them with Telephone Company provided digital Special Access Service. This option applies to Verizon New York Inc. only.
- A request to disconnect some or all of its discounted Digital Data Services in order to replace them Telephone Company provided DIGIPATH digital services II.
- A request to disconnect some or all of its discounted Voice Grade Network Access Ports in order to replace them with DIGIPATH digital service II. 1.544 Mbps, 44.736 Mbps or NYNEX Enterprise Service Network Access Ports. This option applies to Verizon New York Inc. only.
- A request to disconnect some or all of its discounted DIGIPATH digital service II Network Access Ports in order to replace them with NES DSO, 1.544 Mbps, 44.736 Mbps or NYNEX Enterprise Service Network Access Ports.

(TR 24)

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (2) Upgrades (Cont'd)

Upgrades include the following types of customer requests:

- A request to disconnect some or all of its discounted 1.544
 Mbps Network Access Ports in order to replace them with 44.736
 Mbps Network Access Ports or NES DS1 or DS3 Network Access
 Ports.
- A request to disconnect some or all of its discounted, non-video, analog or digital non-NYNEX Enterprise Services Special Access Services, and when applicable, associated NRS Network Access Ports, in order to replace them with NYNEX Enterprise Services.
- A request to disconnect some or all of its High capacity or NYNEX Enterprise Services in order to replace them with IntelliLight® Dedicated SONET Rings, IntelliLight® Entrance Facility or IntelliLight® Broadband Transport.
- A request to disconnect some or all of its discounted 1.544 Mbps High Capacity Service and associated DS1 to Voice multiplexer, in order in replace them with Telephone Company provided 1.544 Mbps High Capacity Service to a Hub where it will be connected to NYNEX Enterprise Service. The number of replacing NYNEX Enterprise Services must be equal to or greater than the number of derived services previously included in the multiplexing arrangement.
- A request to disconnect some or all of its discounted FRS Port Connections in order to replace them with FRS Port Connections at a higher data rate.
- A request to disconnect some or all of its discounted FRS Port Connections in order to replace them with DS3 FRS Access Connections.
- A request to disconnect some or all of its discounted FRS Corridor Logical Channels in order to replace them with FRS Corridor Logical Channels of a higher data rate.
- A request to disconnect Video Service in order to replace it with Advanced Uncompressed Digital Video Service.
 - A request to disconnect an 8 bit Advanced Uncompressed Digital Video Service in order to replace it with a 10 Bit Advanced Uncompressed Digital Video Service.

(TR 24)

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7.4 Special Access Service (Cont'd)
7.4 Rate Regulations (Cont'd)

7.4.10 Service Discount Plan (Cont'd)

Termination Liability (Cont'd) (C)

(2) Upgrades (Cont'd)

Upgrades include the following types of customer requests:

- A request to disconnect Advanced Uncompressed Digital Video Service (AUDVS) in order to replace it with Serial Component Video Service (SCVS), provided that the total dollar amount of the plan for the SCVS is equal to, or greater than, the total dollar amount remaining in the plan for the AUDVS being disconnected.
- A request to disconnect Broadcast Video Service in order to replace it with Serial Component Video Service.
- A request to disconnect a central office multiplexer when the entire multiplexing arrangement (i.e., Special Access Services and multiplexer) is replaced with Special Access Services provided to NYNEX Enterprise Network Reconfiguration Service Network Access Ports (NRS ports).

The order(s) associated with the new (replacing) services must include the same number and type of Special Access Services as were previously included in the multiplexing arrangement. In addition, the order for each Special Access Service must include the appropriate NRS port for the service ordered.

Termination liability will not apply to the Special Access Services previously included in the multiplexing arrangement provided that the replacement regulations set forth in (6) following are met.

The regulations applicable to replacing an entire mutliplexing arrangement with services provided to NRS ports are set forth in 7.4.1(C)(3) preceding as a Mux to NRS Rearrangement Charge.

- A request to disconnect a discounted Standby Channel Termination and its associated Standby NRS Network Access Port in order to replace them with an active Channel Termination and a non-standby NRS Network Access Port of the same or higher bit rate.
- A request to disconnect some or all of its disconnected NRS Network Access Ports in order to replace them with NRS Network Access Ports of a higher bit rate.
- A request to disconnect some or all of its point to point DIGIPATH digital service II, 1.544 Mbps High Capacity or NYNEX Enterprise DSO, Fractional DS1 or DS1 Service in order to replace them with Special Access Service provided with Frame Relay Service or FRS Access Connections.

(TR 24)

Issued: April 13, 2001

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (2) Upgrades (Cont'd)

Termination liability charges do not apply to the preceding requests provided that:

- The orders for the disconnect of the existing services or ports and the connect of the new services or ports are placed with the Telephone Company at the same time.
- The new Network Access Ports are provided on the same digital cross-connect system as the replaced Network Access ports were provided.
- The new services are provided between the same locations as the existing services were provided and
- The replacing Special Access Services or ports have a total channel capacity equal to or greater than the total channel capacity of the services or ports being disconnected or
- The number of replacing channelized services provided over a multiplexed High Capacity facility is equal to or greater than the number of services being disconnected.
- In the case of Digital Data Service, the bit rate capacity of the replacing Digital Data Service, DDS II Service or NYNEX Enterprise Service is equal to or greater than the bit rate capacity of the service being disconnected. For example, one 4.8 kbps service replaces two 2.4 kbps services. This option applies to Verizon New York Inc. only.

(TR 24)

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (2) Upgrades (Cont'd)
 - In the case of Voice Grade Service or NES DSO channels provided with an analog channel interface, the number of, or the voice grade equivalence of, the replacing Special Access Services is equal to or greater than the number of services being disconnected. This option applies to Verizon New York Inc. only.
 - The replacing services and/or Network Access Ports are provided under a Service Discount Plan for a commitment period equal to or longer than that of the service and/or port or port connection being disconnected.
 - (3) Changes

For DIGIPATH digital service II and DOVPATH service, no termination liability charge applies to the following changes:

- Change from two-point to multipoint or from multipoint to two-point.
- Change in transmission speed.

(TR 24)

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- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (3) Changes (Cont'd)

For Video and Advanced Video Services, no termination liability charge applies to the following changes:

- Change in channel interface (i.e., audio bandwidth, audio signal options, number of audio channels).
- Change from two point to multipoint or vice versa provided that the total number of channels under the customer's Service Discount Plan does not decrease. For Advanced Digital Uncompressed Video Service, no termination liability charge will further apply if a multipoint configuration is replaced by two channels, one of which has the Dual Transmit Channel Termination, provided that the same customer designated premises are maintained.
- Change MVS from One-way Transport to interactive. No termination liability charge applies for discontinuance of the One-way Transport Optional Feature.

For High Capacity or NYNEX Enterprise DS1 or DS3 Service or mutliplexed High Capacity or groomed NYNEX Enterprise DS1 or DS3 Service, no termination liability charge applies to change such service to an ISAN DS1 or DS3 Transport Service.

(TR 24)

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- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) Termination Liability (Cont'd)
 - (4) Cancellations

A customer may cancel a 10 year Service Discount Plan for 44.736 Mbps Service provided with an optical fiber interface option, without the application of termination liability charges to such cancellation, if the ratio of the sum of 1/3 (for 135 Mbps capacity), 1/9 (for 405 Mbps capacity) or 1/12 (for 560 Mbps capacity) of the applicable discounted optical fiber interface Channel Termination monthly rates and one DS3 to DS1 Multiplexing monthly rate divided by the non-discounted monthly rate of a 1.544 Mbps High Capacity Channel Termination exceeds 10.

In the event that the Telephone Company initiates a rate increase and the total discounted monthly rate for the affected service increases by eight percent (8%) or more, the customer may cancel its service discount plan for the affected service without termination liability as set forth in (C) following. The customer must exercise its option to cancel the service discount plan for the affected service within thirty (30) days of the date of the effective rate increase.

A customer may cancel a Service Discount Plan for High Capacity Service or NYNEX Enterprise DS1 or DS3 Service in order to replace it with a SONET Service provided under a term plan as set forth in Section 26. following, provided that the total dollar amount of the term plan for the SONET Service is equal to, or greater than, the total dollar amount remaining in the plan for the service being disconnected. No termination liability charge will apply to such cancellation.

A customer may cancel a Service Discount Plan for Broadcast Video Service, Advanced Broadcast Video Service* or Serial Component Video Service in order to replace it with 19.39 Mbps or 45 Mbps Digital Video Transport Service (DVTS) provided under a term plan, provided that the total dollar amount of the term plan for the DVTS is equal to, or greater than, the total dollar amount remaining in the plan for the service being disconnected. No termination liability charge will apply to such cancellation.

* ABVS availability is limited. See footnote in Section 7.2.14(B) for more (N) details. (N)

(TR 81)

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Vice President 2980 Fairview Park Drive, Falls Church, VA 22042 (C)

- Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (5) Moves

Except for 1.544 Mbps and 44.736 Mbps Service, when a customer requests that some or all of its services under a Service Discount Plan be moved to a different building, no termination liability charge applies provided the services remain on the same billing account. When a customer requests that some or all of its 1.544 Mbps or 44.736 Mbps Service under a Service Discount Plan be moved to a different building, no termination liability charge applies provided the services remain within the same Telephone Company operating territory.

When a customer requests that some or all of its services provided with the Corridor Service Single Company Ordering and Billing Options, as specified in Section 7.2.13 preceding, be moved to a different building no termination liability charge applies provided the services remain within the New York-New Jersey Corridor.

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) Termination Liability (Cont'd)
 - (6) Replacements
 - When a customer with existing services or ports under a Service Discount Plan wishes to replace one or more of the service(s) or ports included in that Service Discount Plan with other new or existing services(s) or ports of the same speed or type, as appropriate, for the balance of the commitment period for that Service Discount Plan, no termination liability charge will apply provided that:
 - (i) The orders to accomplish the replacement are placed with the Telephone Company at the same time to be completed at the same time, or

For 1.544 Mbps and 44.736 Mbps High Capacity Services, DDS II and Supertrunking Transport Video Services, and their applicable Optional Features and Functions (except as specified in (b) following) or their associated NRS Network Access Ports which are included in the Service Discount Plan, the orders to accomplish the replacement are (1) placed with the Telephone Company within sixty (60) days of each other and (2) the replacing services or ports are provided within the same Telephone Company operating territory as the services or ports that are replaced in the Service Discount Plan, or

For NES Services provided with the Corridor Service Single Company Ordering and Billing Option, the orders to accomplish the replacement are (1) placed with the Telephone Company within sixty (60) days of each other and (2) the replacing services continue to be provided within the New York-New Jersey Corridor, and

- Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (6) Replacements (Cont'd)
 - (a) (Cont'd)
 - (ii) The number of services or ports included in the Service Discount Plan remains the same. The replacing services may not be equipped with the same Optional Features and Functions or BSEs as the services they replace. In this case, the appropriate termination liability charges apply to the Optional Features and Functions or BSEs no longer provided.
 - (b) When a customer with existing multiplexers under a Service Discount Plan wishes to replace one or more of the multiplexers included in that Service Discount Plan with other new or existing multiplexer(s) of the same type for the balance of the commitment period for that Service Discount Plan, no termination liability charge will apply provided that:
 - (i) The orders to accomplish the replacement are placed with the Telephone Company at the same time to be completed at the same time, or

For DS3 to DS1, DS1 to DS0 and DS1 to Voice multiplexers, the orders to accomplish the replacement are (1) placed with the Telephone Company within sixty (60) days of each other and (2) the replacing multiplexer is provided in the same Telephone Company operating territory as the multiplexer being replaced in the Service Discount Plan, and

- (ii) The number of multiplexers included in the Service Discount Plan remains the same, and
- (iii) For multiplexers other than DS3 to DS1, DS1 to DS0 and DS1 to Voice, the replacing multiplexers must be located in the same Telephone Company Hub as the multiplexers being replaced.

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (C) <u>Termination Liability</u> (Cont'd)
 - (6) <u>Replacements</u> (Cont'd)
 - When a customer with an existing NES FDDI Service configuration under a Service Discount Plan wishes to replace one or more of the Channel Terminations on the configuration included in the Service Discount Plan with other new Channel Termination(s) of the same type for the balance of the commitment period for that Service Discount Plan, no termination liability charge will apply provided that:
 - (i) The orders to accomplish the replacement are placed with the Telephone Company at the same time, or the orders to accomplish the replacement are placed with the Telephone Company within sixty (60) days of each other, and
 - (ii) The number of Channel Terminations included in the Service Discount Plan remains the same.
 - (D) Additions of Service
 - (1) Except as set forth in (2) through (5) following, when a customer with an existing Service Discount Plan wishes to increase the number of services or Network Access Ports for a NYNEX Enterprise Network Reconfiguration Service it has the following options.
 - Subscribe to the additional services under non-discounted rates.
 - Subscribe to the additional services under a separate Service Discount Plan at the then effective discount percentage, rates and charges.
 - Cancel the existing Service Discount Plan and include both the existing and the additional services under a new Service Discount Plan for a commitment period equal to or longer than the original period. No termination charges apply to such cancellation.

When a customer with an existing Service Discount Plan on its NYNEX Enterprise Services wishes to add NYNEX Enterprise Network Reconfiguration Service (NRS) capability to those services, the customer may add the NRS capability to its existing Service Discount Plan for the balance of the commitment period on the associated service, at the rates specified for the existing commitment period.

(TR 24)

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7. Special Access Service (Cont'd)

7.4 Rate Regulations (Cont'd)

7.4.10 Service Discount Plan (Cont'd)

- (D) Additions of Service (Cont'd)
 - When a customer with an existing Service Discount Plan wishes to increase the number of Channel Terminations or Channel Mileage, if applicable, to its NES FDDI Service, the customer may do so for the balance of the commitment period remaining in its Service Discount Plan. Effective November 3, 2000, NES FDDI is no longer available to new customers.
 - (3) For additions of service to an existing IDSR service under Section 26.1 following, the new services will be added for the remainder of the commitment period with the same discount percentage as the other services under the plan. At the end of the commitment period, the customer must convert, or disconnect, the existing service and any additional services in accordance with the footnote specified on Page 26-1 following.
 - (4) A customer with an existing Service Discount Plan wishing to add an optional feature or function or BSE to an existing service has the following options:
 - Cancel the existing Service Discount Plan for the service and include both the optional feature or function or BSE and its corresponding service under a new Service Discount Plan for a commitment period equal to or longer than the that of the cancelled plan for the corresponding service. No termination charges apply to such cancellation.
 - Subscribe to the Optional Feature or function or BSE under the existing service discount plan for a commitment period equal to the number of months remaining in the commitment period for the corresponding service, if such a commitment period exists for the applicable optional feature or function or BSE.
 - (5) When a customer with ESS wishes to increase the number of ESS DS1 or DS3 Ring Transport Services, the additional services will be added for the balance of the commitment period.

(TR 24)

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ACCESS SERVICE

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulations (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (E) Extension of Commitment Period
 - (1) For all services except IntelliLight® Dedicated SONET Ring (IDSR) as set forth in Section 26.1 following, a customer may, at any time prior to the expiration of the selected commitment period for an existing Service Discount Plan, change to a Service Discount Plan with a longer commitment period at the then effective discount percentage. No termination liability charges will apply for any service or Network Access Ports extended under the longer commitment period. The monthly rates applicable for the longer commitment period will apply effective with the next bill day following the request for the change.
 - (2) For IntelliLight® Dedicated SONET Ring (IDSR) as set forth in Section 26.1 following, the customer may not extend its Service Discount Plan to a plan with a longer commitment period. At the end of the commitment period, the customer may extend the expiration date of its Service Discount Plan for a period not to exceed twelve (12) months in order to allow additional time to convert its existing IDSR to other Telephone Company-provided service or to arrange for service through another service provider. Only one such extension will be allowed, subject to the regulations set forth in the footnote of Section 26.1 following.

(TR 87)

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7. Special Access Service (Cont'd)

7.4 Rate Regulations (Cont'd)

7.4.10 Service Discount Plan (Cont'd)

(F) Rate Regulations

Where the Service Discount Plan is requested to be provided coincident with the connection of new service, it will be effective with the establishment of service.

Where the Service Discount Plan is requested to be provided on existing service, the plan will be effective on the date the Telephone Company receives the Access Order requesting the discount.

When a Service Discount Plan is provided on Enterprise SONET Service, the commitment period for the Service Discount Plan will be effective with the establishment of the first ESS Ring Transport Service on the ring.

Unless otherwise noted, at the end of its selected commitment period, the customer will have the option of subscribing to any then effective Service Discount Plan. If the customer does not notify the Telephone Company of its choice prior to the expiration of the commitment period, the customer's current Service Discount Plan will be renewed upon expiration of the selected period. The renewed plan will have a commitment period equal to that originally selected by the customer and the plan will be considered new. For NES FDDI Service, prevailing rates for the the expiring commitment period will continue to apply.

If the customer notifies the Telephone Company of its choice within the first sixty days of the date of renewal, the customer may cancel the renewed plan and subscribe to any then effective Service Discount plan or continue with the renewed plan. If, within the first sixty days of the date of renewal, the customer elects to cancel the renewed plan and subscribe to the service on a month-to-month basis or subscribe to a then effective Service Discount Plan, termination liability will not apply.

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(C)

ACCESS SERVICE

- 7. Special Access Service (Cont'd)
- 7.4 Rate Regulation (Cont'd)
 - 7.4.10 Service Discount Plan (Cont'd)
 - (G) Rate Stability and Base Rates

For services provided with Rate Stability, the discount percentage is applied to the Rate Stability base rates specified in Section 30.7 following for price band rates and 31.7 following for all other rates. Such rates will not be subject to Telephone Company initiated rate increases over the commitment period selected by the customer. However, the Telephone Company may initiate an increase in the discount percentage, thereby causing a decrease in the rates applicable to the customer. In no case will the Rate Stability base rate exceed the non-discounted monthly rate for the service.

For services provided with Base Rates (without rate stability), the discount percentage is applied to the Base Rates specified in Section 30.7 following for price band rates and 31.7 following for all other rates. Such rates are not rate stable and may change during the commitment period, causing an increase or decrease in the rates applicable to the customer. In no case will the Base Rate exceed the non-discounted monthly rate for the service.

Certain regulations previously found on this page can now be found on Original Page 7-318.1.

(TR 55)

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REPLY DECLARATION OF RONALD H. LATAILLE, MARION C. JORDAN, AND JULIE K. SLATTERY

EXHIBIT 9

25. Discount Plans

25.1 Commitment Discount Plans

(N)

(N)

A Commitment Discount Plan (CDP) provides for the application of a discount to the monthly recurring rates for service(s) included in the CDP based on a minimum commitment of channel terminations. For administrative purposes, all services included in CDP are managed as a single plan with separate commitment periods applicable to each service type. Customers may combine certain services together when establishing their commitment levels in accordance with 25.1.2 following.

25.1.1 Commitment Discount Plan Availability

- (A) At the customer's request, certain Telephone Company Switched Access Services and Special Access Services as set forth in (E) following are eligible for inclusion in CDP. The types of services included in the CDP are set forth following. Services ordered from Sections 10 or 17 preceding may not be included in CDP.
- (B) CDPs for Direct Trunked Transport Switched Access Service are only available in states where Collocated Interconnection as set forth in Section 19 preceding has become operational and either:
 - (1) a total within the state of 100 DS1 equivalent Entrance Facility Channel Terminations have been provided in the Zone 1 serving wire centers, access tandems and remote nodes;
 - (2) an average of 25 DS1 equivalent Entrance Facility Channel
 Terminations have been provided per Zone 1 serving wire center,
 access tandem or remote node in that state.
- (C) Based on the preceding requirements, CDPs for Direct Trunked Transport Switched Access Service are available in all states except West Virginia.
- (D) If a customer subscribes to CDP, all eligible service types must be included in CDP with the limited exception of IEF services. The customer will have the option to either (1) establish or maintain existing term pricing plans on their IEF services or (2) include their IEF under CDP, in which case their IEF terminations must be combined with their Switched and Special Access DS3 channel terminations, as described in 25.1.3(A)(6) and (A)(7) following.

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25. Discount Plans (Cont'd)

25.1 Commitment Discount Plans (Cont'd)

25.1.1 Availability of Commitment Discount Plans (Cont'd)

(E) Except as otherwise permitted herein, separate commitment periods will be established for each of the following service types which are under the CDP. Each service type has one or more rate elements associated with such service type as set forth below.

erements associated with such sei	rvice type as set forth below.
Service Type	Rate Element Discounted
Switched Access DS1 Direct Trunked Transport	DS1 Entrance Facilities Standard Channel Termination
	DS1 Channel Mileage
	Local Transport Multiplexing Optional Feature or BSE
Switched Access DS3 Direct Trunked Transport	DS3 Entrance Facilities Standard Channel Termination
	DS3 Channel Mileage
	Local Transport Multiplexing Optional Feature or BSE
DS3 High Capacity/44.736 Mbps	
Service	Channel Termination
	Channel Mileage
	DS3 to DS1 Multiplexing
IntelliLight Entrance Facility (IEF) Service	Optical Terminations
	Electrical Interfaces (N)

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25. Discount Plans (Cont'd)

25.1 Commitment Discount Plans (Cont'd)

25.1.1 Availability of Commitment Discount Plans (Cont'd)

(E) (Cont'd)

Service Type	Rate Element Discounted (N)
DS1 High Capacity/ 1.544 Mbps Service	Channel Termination
	Channel Mileage
	DS1 to Voice Multiplexing
	DS1 to Digital Multiplexing
	DS1 to DS0 Multiplexing
	Conversion to Secondary Channel Capability Multiplexing
	DS0 to Subrates Multiplexing
Digital Data Service (DDS)	Channel Termination
	Channel Mileage
Voice Grade Service	Channel Termination
	Channel Mileage (N)

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25. Discount Plans (Cont'd)

25.1 Commitment Discount Plans (Cont'd)

25.1.2 Establishment of a Commitment Discount Plan

(N)

(N)

- (A) At any time, a customer subscribing to one (1) or more eligible services has the option of establishing a CDP for such service(s). If a customer establishes a CDP for at least one (1) service type listed in 25.1.1 preceding and subscribes to other services listed in 25.1.1 preceding at any time that a CDP is in effect, the customer must establish a CDP for such other services that are eligible for inclusion in CDP with the limited exception of IEF services. The customer will have the option to either (1) establish or maintain existing term pricing plans on their IEF services or (2) include their IEF services under CDP, in which case their IEF terminations must be combined with their Switched and Special Access DS3 channel terminations, as described in 25.1.3(A)(6) and (A)(7) following. For each service type specified in 25.1.1 preceding, the CDP must include all services of that type (excluding services ordered out of Section 10 or Section 17 preceding) which the Telephone Company provides to the customer within any of its operating territories. When a given circuit is included in the CDP plan, all eligible rate elements under CDP as set forth in 25.1.1 preceding of that circuit must be included in the CDP plan.
- (B) For service which is provided as part of a Shared Use Arrangement as set forth in Section 5.2.8, the DS1 or DS3 Service will be included in the service plan for the service type which is ordered as the facility to the Hub (e.g., a Switched Access DS1 Service which is ordered as the facility to the Hub will be under the Switched Access DS1 CDP). For purposes of administering the terms and conditions of the CDP, service provided as part of a Shared Use Arrangement is considered to be completely Switched Access or completely Special Access as determined by the type of facility ordered to the Hub.

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(N)

(N)

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25. Discount Plans (Cont'd)

25.1 Commitment Discount Plans (Cont'd)

25.1.2 Establishment of a Commitment Discount Plan (Cont'd)

- (C) When a CDP is established, the customer agrees to the following requirements pertaining to all of its existing term plans (TPPs) as provided under Sections 6.8.22, 6.8.23, and 6.8.25 for Switched Access Services, Sections 7.2.13, 7.2.15, and 7.4.17 for Special Access Services and Sections 6.8.25(C)(5) and 7.2.15 for IEF.
 - (1) The customer may continue with any available TPP or establish a new TPP for the following services which are not eligible for inclusion in the CDP. The relevant sections containing the regulations for the TPPs for these services are set forth below.

_	IntelliLight Dedicated SONET Ring	6.8.25, 7.2.14
_	IntelliLight Shared Assurance	
	Network	6.8.25, 7.2.14
_	IntelliLight Shared Single Path	6.8.25, 7.2.14
	IntelliLight Broadband Transport	8.2(C)
-	IntelliLight Shared Dual Path	6.8.25, 7.2.14
-		
	Service	6.8.25, 7.2.14
_	Facilities Management Service	6.8.26, 7.2.13
_		7.2.5(E)
~~	Digital Video Transport Service	
	(both 19.39 and 45 Mbps)	7.2.5(F) and (G)
_	LAN Extension Service	7.2.11
_	Verizon Optical Networking	7.2.16
_	Video Service Arrangements	7.2.5
_		•
	(when not included in CDP)	6.8.25(C)(5), 7.2.15
_	Any other service not included	

(2) For Switched Access or Special Access Services which are eligible for inclusion under the CDP, the TPPs will be cancelled in order to include the service(s) in the CDP. TPP termination liability will not apply to such cancelled plan(s).

in 25.1.1 preceding

The customer must establish a separate plan (including a commitment level and a commitment period) for each service type specified in 25.1.1 preceding. If a customer establishes a CDP for at least one (1) service type listed in 25.1.1 preceding and subscribes to other services listed in 25.1.1 preceding at any time that a CDP is in effect, the customer may not establish or maintain a term plan for any services that are eligible for inclusion in CDP with the limited exception of IEF services as set forth below. If IEF services are included in CDP, the customer may not establish or maintain a term plan for IEF services.

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25. Discount Plans (Cont'd)

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25.1 Commitment Discount Plans (Cont'd)

25.1.3 Plan Commitment Levels

(A) Minimum Commitment Levels

- (1) The CDP requires that a minimum commitment of channel terminations be established for the purpose of administering the CDP. The total number of channel terminations shall be calculated using all such in-service channel terminations which the Telephone Company provides to the customer in all of its operating territories under this tariff. The minimum commitment shall be expressed as the equivalent number of DSOs for the Channel Termination rate elements of all services involved.
- (2) The total number of channel terminations determined above will be converted into an equivalent number of DSOs using the following equivalent table.

Type of Channel Termination	DSO Equivalent
STS12 level	8,064
STS3 level	2,016
STS1 level	672
DS3 level	672
DS1 level	24
DDS level	1
Voice Grade level	1

- (3) When the calculation of the minimum commitment of DSOs results in a fraction of a DSO, it shall be rounded up to the next whole DSO.
- (4) In addition, a customer must commit all of its Access Customer Name Abbreviations (ACNAs) and all of its affiliates' ACNAs to the CDP plan.
- (5) The customer will not be eligible to participate in CDP if the combined number of equivalent DSOs for all service types specified in 25.1.1 preceding is less than 336.
- (6) The customer agrees to establish an initial minimum commitment of at least seventy-five percent (75%) of the total number of DDS or Voice Grade channel terminations which are in-service at the time of subscription to CDP. For all other services, the customer agrees to establish an initial minimum commitment of at least ninety percent (90%) of the total number of channel terminations for the service type or combined service types which are in-service at the time of subscription to CDP. For example, at the time of subscribing to CDP, if the customer has in-service 1,000 DS-0 equivalent DDS channel terminations, then the customer's initial commitment under CDP for DDS service cannot be less than 750 DS-0 equivalent channel terminations.

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(N)

(N)

(N)

(N)

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25. Discount Plans (Cont'd)

25.1 Commitment Discount Plans (Cont'd)

25.1.3 Plan Commitment Levels (Cont'd)

- (A) Minimum Commitment Levels (Cont'd)
 - IntelliLight Entrance Facility (IEF) customers must combine their IEF terminations with their Switched and Special Access DS3 Channel Terminations to establish their commitment level. If a customer chooses to include IEF in CDP after initially establishing CDP, the DS3 portion of the new commitment level will remain the same. Ninety percent (90%) of the then inservice IEF terminations will be added to the DS3 commitment level to create a new combined DS3 and IEF commitment level.
 - (8) Customers have the option of combining the following services for the purposes of establishing commitment levels: (a) Switched Access and Special Access DS1 channel terminations may be combined into a single commitment level; and (b) Switched and Special Access DS3 channel terminations may be combined into a single commitment level. Each service that is part of a combined service plan may have different commitment periods and rates for each service. If the customer chooses to combine IEF terminations with Switched Access and Special Access DS3 channel terminations, the customer must combine its Switched Access and Special Access DS3 channel terminations into a combined plan.
 - (9) If the customer fails to maintain its minimum commitment for DDS or Voice Grade service, the customer may opt to reduce its existing commitment level for DDS or Voice Grade service by fifteen percent (15%). The customer may only exercise this option one (1) time each year. The customer must notify the Telephone Company of its desire to reduce the existing commitment level within thirty (30) days of receiving the results of the true-up process provided by the Telephone Company in accordance with 25.1.7 following.
 - (10) The customer may increase the minimum commitment coincident with the results of the true-up process as set forth in 25.1.7 following. The increased commitment will apply for the balance of the commitment period or until such time as a subsequent increase to the minimum commitment is requested.

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